Approved For Release 2007/03/05 : CIA-RDP70T00666R000100160005-3

31 October 1963
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NSA Declassification/Release Instructions on File
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OTTO M. GUTHE Assistant Director Research and Reports'
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NSA Declassification/Release NStAuctionson File

MINORANDIM FOR: Deputy Director (Intelligence

SUBJECT:

Further Svidence on the Shortage of Food Grains

in the USSE

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3. Although this information is fragmentary, we feel that these individuals would find the evidence of interest.

Enclosures

Distribution:

Orig. and 1 - Addressee

1 - OAD/RR

1 - A/U

OAD/RR: OEGuthe: wxm/7581 (31 Oct 63)

THE ATTACLED DOCUMENT CONTAINS CODE WORD MATERIAL

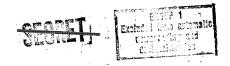
CONTRACTOR

## Further Evidence on the Shortage of Food Grains in the USSR

A number of individual reports have come in recently which, though fragmentary tend to support the judgment that the USSR is indeed hard pressed for food supplies for the coming year. This evidence is in addition to previous information concerning the strict enforcement of the limitation of bread sales per customer, shortages of livestock fooder and distress slaughtering. In summary, the recent evidence indicates that the Soviets plan to:

- 1) Lower the quality of bread by raising the extraction rate when grain is milled into flour. Thus, more flour can be obtained from the same quantity of grain. There are already reports that white bread is unavailable in several cities and there is queuing for inferior brown bread:
  - 2) Further reduce the quality of oread by use of additives;
- 3) Restrict the sale directly to consumers of flour by temporarily removing stocks from retail shelves;
- 4) Use various persussive measures -- voluntary or involuntary -- to extract a bread substitute -- potatoes -- from individual producers.

Khrushchev realizes the possible grave loss of prestige -- domestic and foreign -- by reverting to Stalin tricks of "meximizing" the output of bread from a given supply of grain by reducing quality. The average Russian citizen is dependent on grain products to provide more than one-half of his daily calories and will obviously be sensitive to official attempts to degreed the quality of this important element in his diet. The regime has assurances of around 8 million tons of grain from other Western suppliers and it is impossible very precisely to measure the marginal importance to the Soviet leadership of an additional grain is needed.



# Further Evidence on the Shortage of Food Grains in the USSR

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The continual sale of flour -- initiated in the early post- Stalin days (may 1953) for the first time since the NEP period -- has been at least temporarily terminated in Moscow

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4. The recent information given above in conjunction with earlier information suggest that the Soviets are hard pressed for the supply of basic staples in the "consumption year" 1963-64. Khrushchev realizes the possible grave loss of prestige -- domestic and foreign -- by reverting to Stalin tricks of "maximizing" the output of bread by reducing its quality. The average Russian citizen is dependent on grain products to provide more than one-half of his daily calories and will obviously be sensitive to official attempts to degrade the quality of this important element in his diet.

The regime has assurances of around 8 million tons of grain from other Western suppliers and it is impossible very precisely to determine the marginal importance to the Soviet leadership of an additional 2.5 million tons from the US. However, the foregoing evidence suggests that the situation is sufficiently critical to warrant certain steps which are politically very unpalatable.

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MEMORANDUM FOR: Assistant Director, Research and Reports

31 October 1963

		·						
	THROUGH: THROUGH:	Chief, Economic Research Area Chief, Analysis Division						
	FROM:	Chief, USSR Branch						
	SUBJECT:	Further Evidence on the Shortage of Food Grains in the USSR.						
	1. The attached report summarizes the most recent evidence on the extent of the grain shortage in the USSR.							
	2. The abbreviated Secret version of the report is addressed							
25X1		cretary of Commerce. Franklin D. Roosevelt Jr.						
& NSA 25X1	in the Department of State who have the required security clearance.							
	Enclosure							
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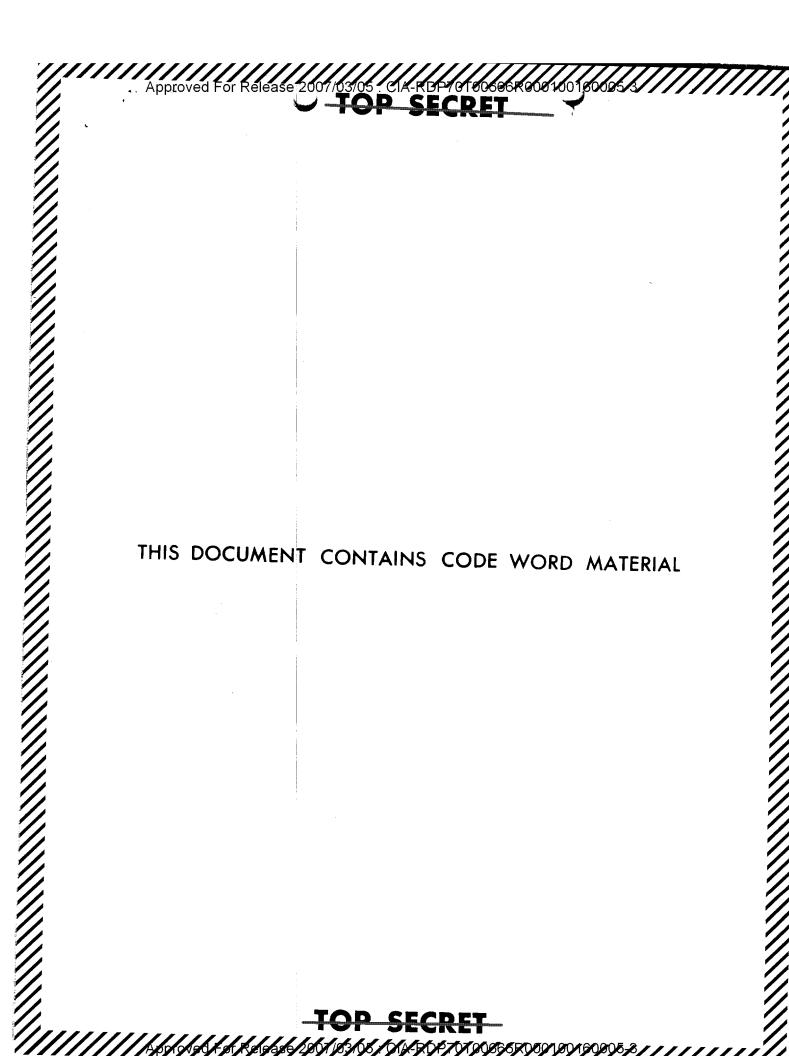


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### - TOP SECRET DINAR

SC# 11060/63

# Further Evidence on the Shortage of Food Grains in the USSR

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<sup>\*</sup> The relative yield of flour from a given volume of grain expressed as a percentage. In general, the higher the extraction rate the lower the "quality" of gread made from the flour.



# TOP SEGRET DINAR

It was reported in Odessa as of 24 October that no white 25X1 bread was available to the population for the preceding five weeks and in Odessa were queuing two hours for inferior

Drown bread.

The continual sale of flour -- initiated in the early post-Stalin days (May 1953) for the first time since the NEP period -- has been at least temporarily terminated in Moscow.

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& NSA 25X1

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